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Report to Environment Committee
from Nicola Shorten, Policy Advisor

Aquaculture Update

1. Purpose

To inform the Committee about the legislative reforms being proposed by the Ministry for the Environment and the Ministry of Fisheries for the sustainable development of aquaculture.

2. Background

There is currently a moratorium on the granting of coastal permits for aquaculture developments. The moratorium has been in place since 28 November 2001, and will remain in place until 28 November 2003. During this two year period, regional councils cannot consider any new applications for marine farms or spat catching activities.

The moratorium was brought in by the Resource Management (Aquaculture Moratorium) Amendment Act 2002, passed by the Government on March 25 this year. There is no provision in the Act for an extension of the moratorium.

Aquaculture in New Zealand has increased significantly in recent years, placing pressure on the coastal environment. The future development of such a valuable resource needs to be managed carefully and the moratorium will allow the time for some much needed planning to take place.

3. The Reform Proposals

The aquaculture moratorium is the first of the legislative reforms that the Government has agreed on to provide for sustainable aquaculture development. It allows regional councils to begin developing policies and defining areas for aquaculture without the risk of being swamped with applications that would pre-empt and complicate that process.

While the remainder of the legislation has not yet been introduced to Parliament, we understand that the reforms are likely to include:

- Streamlining the application process for new marine farms by providing a single-permit process. This will require changes to both the Resource Management Act 1991 and the Fisheries Act 1983 so that regional councils can consider all environmental effects, including the use and sustainability of fisheries resources.
- Providing regional councils with greater powers to manage and control the development of aquaculture by requiring marine farming to take place within clearly defined Aquaculture Management Areas (AMAs). These areas will be included in councils' regional coastal plans.
- Allowing regional councils to call for tenders for the right to apply for coastal permits, including those for individual marine farm sites within each AMA. Regional councils would retain 50% of the tender money for use in the coastal marine area.
- Retaining the existing requirement that aquaculture should not have an undue adverse effect on customary, recreational and commercial fishing. This requirement will be removed from the Fisheries Act 1983 and instead the Ministry of Fisheries will have to participate in the coastal permit application process by providing regional councils with an assessment of any undue effects that aquaculture development may have on fishing. The legislation will also provide for a trade-off between aquaculture interests and commercial fishing rights holders in circumstances where aquaculture development would have an undue adverse effect on commercial fishing rights.
- A range of transitional provisions to ensure existing marine farm approvals are transferred to the new regime.

Recent discussions with the Ministry for the Environment indicate that they expect the main reform legislation to be introduced to Parliament in November of this year.

4. **Implementation**

There has been very little demand for aquaculture in the Wellington Region. Before 28 November 2001, the Council received three applications for aquaculture, all of which were granted. One of the consents is for a marine farm in Mahanga Bay in Wellington Harbour, and covers an area of 2.9 hectares. The other two consents are in the Wairarapa, one for an area of 0.16 hectares and the other for 4 hectares (yet to be developed).

While there has been little demand for aquaculture in the Wellington Region, a lack of space in other regions and new technology mean that this may increase in the future. Staff are currently undertaking a constraints mapping exercise, identifying areas of the coast where aquaculture development could not take place. However, this is only the beginning of the regional coastal planning process and greater certainty is required from central government before the process of consultation, policy development and designating aquaculture management areas can be advanced.

In addition to work being done within the Council, the Regional Managers Group (a group comprising divisional managers from each of the regional councils) is co-ordinating two projects to help regional councils deal with the new legislation. One project is to set up suitable tendering documentation and the other is to identify aquaculture monitoring needs.

5. **Communication**

Until we have greater certainty about the proposed legislation, there is little to be gained from beginning external consultation on this matter.

6. **Recommendation**

It is recommended that the Committee:

- (1) *receives the report; and*
- (2) *notes the contents.*

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